capital requirement. As at end-March, 1994, assistance of Rs. 377 crores was sanctioned to 88 companies (including assistance of Rs. 2.00 crores to a company in Rajasthan) under the scheme. IDBI has reported that these companies have been regular in payment of their dues under the scheme.

Intermediates for Anti-TB Drug Production

6440. SHRI JAGIR SINGH DARD: Will the Minister of FINANCE be pleased to state:

(a) whether 2 Gynopyrazine and DAMN are intermediates used to manufacturing of anti-TB drug pyrazinamide;

(b) whether it is also a fact that both these intermediates are independent from each other;

(c) the reasons for difference in the rates of customs duty for both of these intermediates; and

(d) the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) and (b) Yes, Sir.

(c) and (d) 2 Gynopyrazine (not 2 Gynopyrazine) is a penultimate stage drug intermediate which gives Pyrazinamide on treatment with ammonia in a one step reaction whereas DAMN is a basic raw material which in four chemical steps gives Pyrazinamide. To maintain a graded duty structure between the basic stage and the penultimate stage intermediate and to encourage the production of the drug Pyrazinamide from the more basic stage, the customs duty on DAMN was reduced from 50% to 25%. Customs duty on 2-Gynopyrazine continues to be 50%.

Loans Disbursed to Industries

6441. SHRI JAGIR SINGH DARD: Will the Minister of FINANCE be pleased to state:

(a) the number of cases where loans have been disbursed to industries by the Financial Institutions without securing charge on them during the last three years, institution-wise; and

(b) the reasons for such violation and action taken against the officers concerned?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) and (b) The Industrial Development Bank of India (IDBI) has reported that the term loan provided by the all India financial institutions are usually secured by way of equitable mortgage/hypothecation of fixed asset/movable asset acquired/to be acquired by industrial concerns as well as their existing assets, if any. Further, institutions also take suitable personal and other guarantees wherever required for securing assistance. To facilitate implementation of projects in time, institutions sometimes disburse part of the loan by way of interim/bridge loan pending creation of final stipulated security. The security in such cases is created in due course.

Security Thread in Currency Notes

6442. SHRI O. RAJAGOPAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that insertion of alternatively embedded and exposed (windowed) security thread into currency notes by the cylinder mould vat process is patented process of any foreign firm;

(b) if so, the names and address of such foreign firm;

(c) whether window insertion of security thread into currency notes can be done through any other process; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) to (d) The relevant information is being collected and will be laid on the Table of the House.

Bank Loans for Agriculture and Rural Development

6443. SHRI AHMED MOHMED BHAI PATEL:
SHRI SURESH PACHOURI:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have underlined the need to accelerate the flow of credit towards agricultural production and re-emphasised that commerical banks should ensure to meet their priority sector lending target of 40 percent;

(b) if so, whether all the nationalised banks have been urged to provide loans to the farmers;

(c) if so, whether any directives in this regard have been issued to the Banks; and

(d) if so, the details thereof and how many banks have provided loans to the farmer so far under the proposed new scheme?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) to (d) In terms of instruction of Reserve Bank of India (RBI) all public sector banks are required to lend to priority sector 40 per cent of their net credit and the sub-target of 18 per cent has been prescribed for direct agricultural lending. However, since October, 1993 the lending under "direct" and "indirect" categories of agricultural advnaces has been clubbed together for the purpose of computing the target of 18 percent. To ensure that the focus of the banks on the direct category of agricultural advances does not get diluted instructions have been issued that agricultural lending under indirect finance should not exceed 4.5 percent of net bank credit in computing the performance for the purpose of the sub-target of 18 percent.

The performance of banks in lending to priority sector including agriculture is being continuously monitored by RBI and Government. RBI vide its circular dated 21.10.93 had advised banks to make every effort to achieve the stipulated target and sub-targets. Banks have been cautioned that failure on their part to achieve the stipulated target and sub-targets could invite bank specific policy measures which could include raising of reserve requirements or withdrawal of refinance facility or such other measures deemed necessary by RBI. According to the latest available data furnished by RBI relating to performance of public sector banks in respect of priority sector/agriculture as at the end of December 1993 is as under:

(Rs. in crores)

	Balance outstanding
(i) Net bank credit	136771.59
(ii) Total priority sector advances	49821.85
(iii) Total Agriculture (Direct and Indirect)	20513.41

Setting up of Urban Cooperative Banks by Minorities

6444. SHRI K. RAHMAN KHAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Finance Ministry has directed Reserve Bank of India to permit setting up of Urban Cooperative Banks in the minorities consentrated district;

(b) if so, how many applications have been received for setting up of Urban Cooperative Banks from Minorities and out of them how many Licenses have been issued so far; and

(c) if not, whether Government consider issuing direction to Reserve